

# 2011 CALIFORNIA ENGLISH WALNUT CROP Field Report and Market Update

CY 2011 Edition 2.



June 27, 2011  
Los Molinos, California

## FIELD REPORT

The affects of the late May rains and unseasonably cool weather here in California are yet to be seen, but will undoubtedly have an impact on the crop size, quality and harvest timing. Due to these variables, it is impossible to estimate the size of the current crop at this time, though the nut set looks good. We will have to wait and see how many small and damaged nuts fall from the trees in the coming weeks to get a better idea of the crop size. The current weather pattern seems to be changing to a more favorable pattern, but temperatures are sill 5-15 degrees F below normal with rain and thunder showers forecasted in the North State for the next few days.

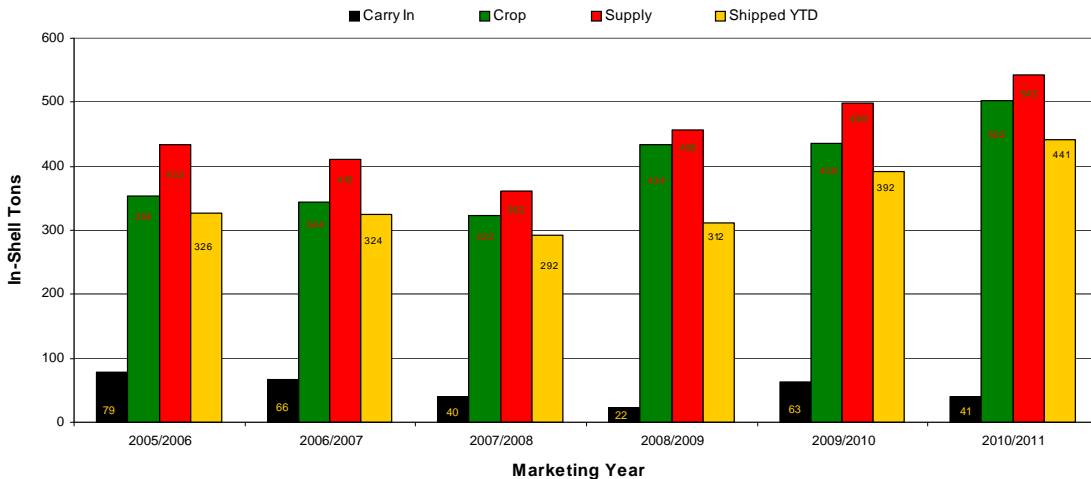
Currently the nut development is at least ten days behind normal, which makes it comparable to last year, which was also a similar growing season. Once we have returned to normal warmer weather conditions, we should see some of that delay made up, but we will still stand a good chance of having a later than normal harvest comparable to last year (which was also a late harvest).



## MARKET UPDATE

May 2011 walnut shipments (25,035 tons), as reported by the California Walnut Board, were up 1% from May 2010 (24,805), and strong compared to historical shipments for May. The Industry's May YTD shipments (441,315 tons) are 13% higher than the same period last year, and account for more than 81% of the 2010 Total Supply.

If sales continue on par with the remainder of the marketing year, the industry's carry-in position would be less than 40,000 in-shell tons. The potential later harvest combined with a relatively small inventory position will create some delays in early shipments.



We will provide another crop and market update with the July Subjective Estimate. In the interim, please let us know if you have any questions regarding your walnut purchases or sales.